GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1389
ANSWERED ON:11.03.2005
INDO- JAPAN DOUBLE TAXATION AVOIDANCE TREATY
Badiga Shri Ramakrishna;Mandlik Shri Sadashivrao Dadoba;Vijay Krishna Shri

Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal to re-negotiate the Indo-Japan double taxation avoidance treaty;

(b) if so, the details thereof; and

(c) the action taken by the Government on such proposal?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE. (SHRI S.S. PALANIMANICKAM) :

(a) Yes, Sir.

(b) The Central Government is authorized to enter into Double Taxation Avoidance Agreement (DTAA) by virtue of power vested under Section 90 of the Income Tax Act, 1961. In exercise of this power a DTAA was entered into by the Government of India with the Government of Japan in 1989 which was notified vide GSR 101(E) dated 01.03.1990. The Government of India and the Government of Japan have decided to renegotiate this Treaty.

(c) The process of renegotiation has commenced.